

**BEFORE
THE PUBLIC SERVICE COMMISSION OF
SOUTH CAROLINA**

DOCKET NO. 2021-23-C

In the Matter of)	
)	
Joint Application of Charter Fiberlink SC-CCO, LLC and Time Warner Cable)	
Information Services (South Carolina), LLC)	
for Designation as Eligible)	
Telecommunications Carriers to Receive)	
Rural Digital Opportunity Fund Auction)	
(Auction 904) Support for Voice and)	
Broadband Services)	

VERIFIED PREFILED DIRECT TESTIMONY OF

MICHAEL A. CHOWANIEC

ON BEHALF OF CHARTER FIBERLINK SC-CCO, LLC AND TIME WARNER

CABLE INFORMATION SERVICES (SOUTH CAROLINA), LLC

MARCH 9, 2021

PSC DOCKET NO. 2021-23-C
DIRECT TESTIMONY OF MICHAEL A. CHOWANIEC

Q1. Please state your name, your position and your business address.

A1. My name is Michael A. Chowaniec. I am Vice President, State Government Affairs at Charter Communications, Inc. (“Charter”). My business address is 400 Atlantic Street, Stamford, Connecticut 06901.

Q2. Have you previously provided testimony to the South Carolina Public Service Commission?

A2. No.

Q3. Briefly describe your professional background and your responsibilities at Charter.

A3. I joined Charter in 2015, and since then I have served in various roles relating to government relations. Currently, my title is Vice President, State Government Affairs. In that role, I represent Charter in its interactions with state governments and regulatory bodies, such as the South Carolina Public Service Commission.

Prior to joining Charter, I worked in various positions in both the public and private sectors. For most of my career, I have worked in the areas of public policy and utility regulation.

I graduated from the University of Hartford with an undergraduate degree in business administration. Later I attended law school at the University of Connecticut, where I earned my law degree.

1 **Q4. On whose behalf are you providing testimony today?**

2 **A4.** I provide this testimony on behalf of Charter Fiberlink SC-CCO, LLC (“Charter Fiberlink”)
3 and Time Warner Cable Information Services (South Carolina), LLC (“TWCIS,” and
4 together with Charter Fiberlink, individually, a “Charter Entity,” and collectively the
5 “Charter Entities” or “each Charter Entity”). The Charter Entities are majority owned and
6 wholly controlled subsidiaries of Charter that hold South Carolina certificates of public
7 convenience and necessity for the provision of telecommunications services, including
8 local exchange service.
9

10 **Q5. What is the purpose of your testimony?**

11 **A5.** My testimony supports the Charter Entities’ Joint Application for Eligible
12 Telecommunications Carrier (“ETC”) designation in South Carolina, filed on January 6,
13 2021, which includes the following exhibits that are appended thereto: (i) the lists of census
14 blocks where each Charter Entity was assigned Rural Digital Opportunity Fund Phase I
15 Auction (Auction 904) (“RDOF Auction”) support (**Exhibits A and B**, together the
16 “RDOF Census Blocks”); (ii) a map of these RDOF Census Blocks (**Exhibit C**); (iii) copies
17 of each Charter Entity’s registration with the South Carolina Secretary of State (**Exhibits**
18 **D and E**); (iv) and copies of each Charter Entity’s certificate of public convenience and
19 necessity authorizing it to provide local exchange service in South Carolina (**Exhibits F**
20 **and G**).
21

22 As background, CCO Holdings, LLC (“CCO Holdings”), an affiliate of the Charter
23 Entities, was selected as a winning bidder in South Carolina in the FCC’s RDOF Auction,

1 and CCO Holdings assigned its winning bids to TWICS, which is the “lead operating
2 company” with respect to such bids, and Charter Fiberlink which must both satisfy certain
3 public interest requirements in connection with the bids. The Charter Entities’ receipt of
4 RDOF Auction funding is conditioned upon them obtaining designation as ETCs in their
5 respective RDOF Census Blocks.¹ The FCC’s deadline for the Charter Entities to submit
6 appropriate documentation of the ETC designation is June 7, 2021.

7
8 **Q6. Do you have any additional documents you would like to include on the record in**
9 **addition to the Joint Application and its attachments?**

10 **A6.** Yes. I am attaching hereto as Exhibit MAC-1(A) and Exhibit MAC-1(B) Excel
11 spreadsheets listing the South Carolina census blocks applicable to the Charter Entities’
12 Joint Application.²

¹ Charter seeks ETC designation only in those full census blocks or *portions* of census blocks that are eligible for RDOF support. See *Wireline Competition Bureau and Office of Economics and Analytics Release Updated List and Map of Eligible Areas for the Rural Digital Opportunity Fund Phase I Auction*, Public Notice, DA 20-665 (June 25, 2020), at p. 6 (stating “As the Commission made clear in the *Rural Digital Opportunity Fund Order*, eligible areas would include census blocks served by both price cap carriers and rate-of-return carriers *to the extent that the census block is in the price cap carrier’s territory. That is, only the price cap portion of the census block is eligible.*”) (emphasis added). Throughout this testimony, Charter’s use of the phrase “RDOF Census Blocks” should be understood to refer to full census blocks or *portions* of census blocks, where applicable.

² Exhibits A and B to the Joint Application provides lists of the RDOF Census Blocks assigned by the FCC to the Charter Entities. To the extent the FCC modifies the lists of RDOF Census Blocks on those Exhibits or there is any inconsistency between the lists of RDOF Census Blocks on those Exhibits and the list at the FCC’s RDOF Dashboard (<https://auctiondata.fcc.gov/public/projects/auction904>), the list at the FCC’s RDOF Dashboard shall control with respect to where each respective Charter Entity will have ETC obligations. In addition, to the extent the FCC modifies the census block award such modified census blocks shall constitute the RDOF Census Blocks for purposes of the ETC designation.

1 **Q7. Section 214(e)(2) of the Communications Act of 1934, as amended (the “Act”),**
2 **authorizes the Commission to designate a company that meets the requirements of 47**
3 **U.S.C. § 214(e)(1) as an ETC. Is it your understanding that the Charter Entities meet**
4 **all federal requirements for ETC designation?**

5 **A7.** Yes. As demonstrated in the Joint Application and herein, each Charter Entity meets all
6 requirements for ETC designation. Further, designating each Charter Entity as an ETC in
7 its respective RDOF Census Blocks would allow the Charter Entities, either directly or
8 through their affiliates,³ to bring high-quality, innovative voice and broadband Internet
9 access services to consumers in unserved portions of South Carolina, advance the goals of
10 universal service, and serve the public interest.

11
12 **Q8. Please describe the Charter Entities’ technical qualifications.**

13 **A8.** Charter is one of the nation’s leading providers of broadband Internet access services and
14 voice services, and Charter has played a significant role in expanding the availability of
15 these services—especially broadband Internet access services—across the United States.⁴
16 Indeed, the Charter Entities and their affiliates currently provide high-quality voice and
17 broadband services to approximately 28.9 million residential and small/medium business

³ While the entity seeking ETC designation will directly provide the supported Lifeline voice services, different Charter affiliated entities may directly provide the broadband Internet access services and non-Lifeline voice services in the RDOF Census Blocks.

⁴ Certain of the subjects and benefits discussed in this pre-filed testimony pertain to non-jurisdictional products and services. While those items are voluntarily included herein in order to provide a comprehensive view of the public interest benefits of designating each Charter Entity as an ETC, the Charter Entities respectfully reserve all rights relating to the inclusion of or reference to such information, including without limitation the Charter Entities’ legal and equitable rights relating to jurisdiction, filing, disclosure, relevancy, due process, review, and appeal.

1 (SMB) Internet customers and 10.4 million residential and SMB voice service customers
2 in 41 states, including many in rural and “high cost” areas.⁵

3
4 Charter provides voice communications service using interconnected Voice over Internet
5 Protocol (VoIP) technology. Charter’s voice service offering includes unlimited long
6 distance calling throughout the United States, Canada, Puerto Rico, the US Virgin Islands,
7 and Guam. Calling features include voicemail, call waiting, caller ID, call forwarding, and
8 other features, at no additional charge. In addition, the E911 feature automatically provides
9 the emergency service operator with a caller’s phone number and location (wherever
10 available from local government or public safety organizations). For its residential voice
11 services, Charter offers a simplified pricing structure with plans that include all applicable
12 fees⁶ – thus permitting its customers to know their total costs in advance of choosing
13 Charter’s services, rather than facing a variety of complicated surcharges on their billing
14 statements.⁷

15
16 As of December 31, 2020, over 85% of Charter’s residential Internet customers subscribed
17 to tiers that provided 100 Mbps or more of speed, and over 50% subscribed to tiers that

⁵ See Press Release, Charter Communications, Inc., *Charter Announces Fourth Quarter 2020 Results* (Jan. 29, 2021), <https://www.prnewswire.com/news-releases/charter-announces-fourth-quarter-and-full-year-2020-results-301217852.html> “*Charter Fourth Quarter 2020 Results.*”

⁶ The rates, terms and conditions of Charter’s voice service plans are subject to change in accordance with applicable federal and state regulations.

⁷ The Charter Entities remit fees, such as federal and state universal service fund fees and E911 fees, to the appropriate regulatory agencies, where required, and in accordance with law, but do not generally collect them as separate line items on the bill on top of the monthly rate that residential customers pay for the Charter Entities’ voice service. All such fees are described in the Charter Entities’ invoices for voice service in accordance with applicable federal and state billing requirements.

1 provided 200 Mbps or more of speed.⁸ As of March 2021, Charter has continued to double
2 the download speed of its Spectrum Internet® service from 100 to 200 Mbps, expanding
3 the faster speed to nearly 6 million homes in 17 additional markets.⁹ The faster 200 Mbps
4 speeds are available now to new Spectrum Internet® customers, and the company will
5 automatically increase speeds for current residential customers with Spectrum Internet®
6 packages in coming weeks.¹⁰ For customers who want even faster speeds, Charter's
7 Spectrum Internet Ultra service includes download speeds up to 400 Mbps, while Spectrum
8 Internet Gig offers a gigabit connection to the customer's home.¹¹ Upon completion,
9 starting speeds of 200 Mbps will be available to nearly 85 percent of Charter's 41-state
10 service area.¹² Additionally, Charter's Advanced In-Home WiFi service, which provides
11 customers the ability to optimize their home networks while providing greater control of
12 their connected devices, has now been launched across more than 65% of Charter's
13 footprint for new Internet connects.¹³ Lastly, recognizing the need for fast, reliable
14 broadband service for community anchor institutions, Charter offers 10 Gbps symmetrical
15 speed broadband Internet connections to schools, libraries, hospitals, and other important
16 community institutions.¹⁴

⁸ Press Release, "Charter Announces Fourth Quarter and Full Year 2020 Results" (Jan. 29, 2021), available at: <https://corporate.charter.com/newsroom/charter-announces-fourth-quarter-and-full-year-2020-results>.

⁹ Press Release, "Charter Continues to Double Internet Starting Speed to 200 Mbps" (March 3, 2021), available at: <https://corporate.charter.com/newsroom/spectrum-doubles-spectrum-internet-starting-speed-to-200-mbps-in-17-additional-markets>.

¹⁰ *Id.*

¹¹ *Id.* Charter's 1 Gbps connection offers a maximum download speed of up to 940 Mbps.

¹² *Id.*

¹³ Press Release, "Charter Announces Fourth Quarter and Full Year 2020 Results" (Jan. 29, 2021), available at: <https://corporate.charter.com/newsroom/charter-announces-fourth-quarter-and-full-year-2020-results>

¹⁴ See generally "Gigabit Internet" at <https://enterprise.spectrum.com/l/articles/gigabit-internet.html>.

1 Looking forward, the network Charter will extend to the RDOF Census Blocks will be a
2 Fiber to the Premises (“FTTP”) network comprised of equipment and facilities comparable
3 to Charter’s existing FTTP network deployments in South Carolina. This network will
4 include, among other things, fiber optic cable facilities, hubs, routers, servers, session
5 border controllers, and analog telephone adapters. Through the network serving the RDOF
6 Census Blocks, Charter will offer Gigabit performance tier high-speed broadband Internet
7 access service having speeds of up to 1 Gbps/500 Mbps (downstream/upstream) to all
8 newly served customer locations in the RDOF Census Blocks, enabling households and
9 small and medium-sized businesses to engage in remote learning, work, telemedicine and
10 other applications that require high-bandwidth, low-latency connectivity.

11
12 Each Charter Entity is well qualified to meet the FCC’s RDOF service obligations given
13 Charter’s proven track record of financial, managerial, technical and commercial success
14 operating as an existing provider of broadband Internet and voice services. For the year
15 ending December 31, 2020, Charter generated \$48.1 billion in revenue from the provision
16 of all of Charter’s services.¹⁵ The Charter Entities will draw upon Charter’s financial
17 capability and extensive teams of experienced engineers with expertise in the fields of
18 communications technology, hardware design, software development, data analytics, and
19 networking to construct and/or install the networks and infrastructure necessary to provide
20 the required services in the RDOF Census Blocks. Additionally, the Charter Entities will
21 leverage the significant operational, managerial and technical expertise of Charter to
22 perform all billing, installation, customer service, and other matters related to providing its

¹⁵ Press Release, “Charter Announces Fourth Quarter and Full Year 2020 Results” (Jan. 29, 2021), available at: <https://corporate.charter.com/newsroom/charter-announces-fourth-quarter-and-full-year-2020-results>.

1 services in South Carolina. The Charter corporate family has extensive experience
2 managing the technical and customer service-related issues associated with the provision
3 of mass market consumer voice and broadband Internet access (as well as other
4 communications services). Charter monitors its network performance on a 24/7/365 basis
5 and has implemented procedures to leverage its extensive engineering resources quickly
6 and effectively to install, modify, repair, and/or restore services, as necessary.
7

8 **Q9. Have you reviewed the relevant requirements for designation as an ETC and, if so, is**
9 **it your belief that the Charter Entities meet the applicable requirements for**
10 **designation as ETCs?**

11 **A9.** Yes. I have reviewed the applicable federal and state requirements for designation as an
12 ETC in South Carolina. Based on my understanding of those requirements, each Charter
13 Entity meets the applicable requirements to be designated as an ETC in South Carolina.
14

15 **Q10. Will the Charter Entities operate as common carriers?**

16 **A10.** Yes. For purposes of its ETC designation, each Charter Entity will operate as a common
17 carrier and offer interstate and intrastate communications on a common carrier basis in its
18 respective RDOF Census Blocks.¹⁶ Designation as an ETC is a predicate to each Charter
19 Entity's eligibility to receive RDOF support to provide voice and broadband Internet
20 services in its respective RDOF Census Blocks (47 U.S.C. § 214(e)(1); 47 C.F.R. § 9.3; 47
21 C.F.R. § 54.201(d)).
22

¹⁶ See also R. 103-690.C.(a) (providing that the Commission may designate a "common carrier" an ETC).

Q11. Will the Charter Entities use their own facilities or a combination of their own facilities and resale of another carrier's services to provide service?

A11. Charter is a facilities-based broadband Internet access and voice service provider, with its own network, gateways, switching facilities, and other associated facilities. Each Charter Entity anticipates offering the RDOF supported services using its own facilities but reserves the right to offer services using a combination of its own facilities and resale of another carrier's services within its respective RDOF Census Blocks.¹⁷

Q12. Will the Charter Entities offer the services supported by federal universal support mechanisms within their respective RDOF Census Blocks?

A12. Yes. As required by 47 C.F.R. § 54.101,¹⁸ each Charter Entity, either directly or through an affiliate, will offer voice services and broadband Internet access services supported by federal universal service support mechanisms within its respective RDOF Census Blocks.¹⁹

Q13. How do the Charter Entities meet the requirement to provide voice grade access to the public switched telephone network and broadband Internet access service?

A13. Each Charter Entity will provide voice grade access to the public switched telephone network through the provision of a competitive voice service that includes minutes of use for local service provided at no additional charge to end users and access to emergency services via 911 or E911, wherever available from local government or public safety

¹⁷ This testimony directly supports the statements made in the Affidavit of Adam E. Falk, dated January 5, 2021, certifying, pursuant to R. 103-690.C.(a)(6), that each Charter Entity will offer RDOF support services by using its own facilities or a combination of its own facilities and resale of another carrier's services.

¹⁸ This testimony also relates to the requirement of R. 103-690.C.(a) (providing that applicants shall offer services in compliance with 47 C.F.R. § 54.101).

¹⁹ Broadband Internet access and voice services are provided with support of subsidiaries controlled and majority owned by Charter.

1 organizations. Toll limitation services will also be provided to qualifying low income
2 consumers as provided in the FCC's rules (47 C.F.R. § 54.101(a)(1)) in the RDOF Census
3 Blocks.

4
5 Charter's broadband Internet access service will provide the capability to transmit data to,
6 and receive data from, all or substantially all Internet endpoints, including any capabilities
7 that are incidental to and enable the operation of the communications service (47 C.F.R. §
8 54.101(a)(2)), in the RDOF Census Blocks.

9
10 Each Charter Entity has committed that these services will be provided consistent with
11 applicable high-cost universal service support rules (47 C.F.R. § 54.101(c)) in the RDOF
12 Census Blocks. Each Charter Entity will also ensure that Lifeline services are offered in
13 accordance with the FCC's rules in all Census Blocks areas where the Charter Entity will
14 receive RDOF support (47 C.F.R. § 54.101(d)). Upon commencing the provision of federal
15 Lifeline service in the RDOF Census Blocks, which will occur after the construction and/or
16 availability of the underlying network facilities, but not later than as required under the
17 FCC's service milestones: (i) the Lifeline voice discount will be applied, which is currently
18 \$5.25, and (ii) the Lifeline broadband discount will be applied, which is currently \$9.25.²⁰

²⁰ The service and discount amounts are subject to change. Further, only one discount is allowed under federal law for each eligible household. See 47 C.F.R. § 54.409(c).

1 **Q14. Will the Charter Entities offer their voice service as a standalone service?**

2 **A14.** Yes. Each Charter Entity will offer its voice service as a standalone service and at rates
3 that are reasonably comparable to urban rates (47 U.S.C. § 254(b)(3); 47 C.F.R.
4 § 54.313(a)(3)) in its respective RDOF Census Blocks.²¹
5

6 **Q15. Will the Charter Entities advertise the availability of their universal service offerings**
7 **and charges for such offerings using media of general distribution?**

8 **A15.** Yes. In its respective RDOF Census Blocks, each Charter Entity will advertise the
9 availability of its universal service offerings and charges for such offerings using media of
10 general distribution (47 U.S.C. § 214(e)(1)(B); 47 C.F.R. § 54.201(d)(2)), and in a manner
11 reasonably designed to reach those likely to qualify for the service (47 C.F.R. § 54.405(b)).
12

13 **Q16. Will the Charter Entities provide service throughout their designated service area?**

14 **A16.** Yes. Each Charter Entity will provide the supported services throughout the designated
15 RDOF Auction-assigned census block areas (or portions of census blocks) where it has
16 customers (47 U.S.C. § 214(e)(1); 47 C.F.R. § 54.201(d)).²²
17

18 **Q17. Will the Charter Entities certify that each will use federal universal service support**
19 **only for the provision, maintenance, and upgrading of facilities and services for which**
20 **the universal service support is intended?**

²¹ *Rural Digital Opportunity Fund*, Report and Order, 35 FCC Rcd 686 (2020), at ¶ 42.

²² This testimony also relates to the requirement of R. 103-690.C.(a)(1)(A) (requiring an applicant to “commit to provide service throughout its proposed designated service area”).

1 **A17.** Yes. Each Charter Entity certifies that, in accordance with 47 U.S.C. § 254(e) and 47
2 C.F.R. § 54.7(a), it will use federal universal service support only for the provision,
3 maintenance, and upgrading of facilities and services for which the universal service
4 support is intended.

5
6 **Q18. Will each Charter Entity further certify that it will comply with the service
7 requirements applicable to its designation as an ETC under 47 C.F.R. § 54.202?**

8 **A18.** Yes. Each Charter Entity certifies that it will comply with the service requirements
9 applicable to the support that it receives in the RDOF Census Blocks, including the
10 requirements of the RDOF Auction.

11
12 **Q19. Do the Charter Entities have the ability to remain functional in emergency situations?**

13 **A19.** Yes. Charter has been providing voice and broadband Internet access services to customers
14 on a 24/7/365 basis for almost twenty years. Unlike traditional circuit switched telephone
15 systems that power the line individually, VoIP-based telephony services are dependent on
16 the commercial power network. However, in providing these services, Charter has
17 maintained contingency plans for emergency situations for each of Charter's major
18 network hubs and/or facilities that are geographically distributed across the United
19 States. These plans contain activation, staffing, escalation, and communication procedures
20 to identify and respond to such emergencies. Additionally, all switching facilities are
21 equipped with independent power generators and sufficient fuel to operate for several days
22 to mitigate commercial power outages. The design of these facilities contains multiple
23 levels of redundancy and autonomy that also mitigate the need for dedicated human

1 interaction. The Charter Entities will apply this successful model to their RDOF services
2 in the RDOF Census Blocks.²³

3
4 **Q20. Is each Charter Entity qualified with the South Carolina Secretary of State?**

5 **A20.** Yes. Each Charter Entity's South Carolina Secretary of State registration is attached to the
6 Joint Application at **Exhibits D and E.**

7
8 **Q21. Does each Charter Entity hold an authorization issued by the Commission to provide**
9 **telecommunications service?**

10 **A21.** Yes. Each Charter Entity's Commission authorization to provide local exchange
11 telecommunications services is attached at to the Joint Application at **Exhibits F and G.**

12
13 **Q22. Will each Charter Entity offer toll blocking and/or toll control services in connection**
14 **with its Lifeline services?**

15 **A22.** Yes. Each Charter Entity will offer toll blocking and/or toll control services in connection
16 with its Lifeline services offered to customers in the RDOF Census Blocks. Each Charter
17 Entity's Lifeline voice service offering in its respective RDOF Census Blocks will include
18 unlimited local and long distance calling in the United States, Canada, Puerto Rico, the US
19 Virgin Islands, and Guam.²⁴ Under such Lifeline service plan, there are no toll charges for long
20 distance calls included in the service plan. If a Lifeline customer wishes to place international

²³ This testimony also relates to the requirement of R. 103-690.C.(a)(2) (requiring an applicant to "demonstrate its ability to remain functional in emergency situations").

²⁴ The rates, terms, and conditions of Charter's services are subject to change in accordance with applicable law.

1 long distance calls to destinations outside the service plan, the Charter Entities will offer add-
2 on international calling plans for an additional monthly charge.

3
4 **Q23. Please explain the Charter Entities' request for a waiver of the requirement to submit**
5 **a two-year plan.**

6 **A23.** Each Charter Entity requests a waiver of the Commission's requirement to provide a two-
7 year service improvement plan under R. 103-690.C.(a)(1)(B). The filing of a two-year
8 service improvement plan under the Commission's regulations mirrors, although for a
9 shorter time, the requirement in Section 54.202 of the FCC's rules that applicants for ETC
10 designation submit a five-year service improvement plan. The FCC, however, waived the
11 requirement that RDOF Auction winning bidders seeking ETC designation submit a five-
12 year service improvement plan. As discussed in the Joint Application, the FCC also
13 previously waived the requirement that Connect America Fund ("CAF") Phase II award
14 recipients submit a five-year plan of their network investments, and the Commission
15 previously granted an ETC application from a CAF Phase II award recipient requesting a
16 similar waiver of this two-year plan requirement.²⁵

17
18 As an RDOF Auction participant obtaining ETC designation and/or constructing network
19 facilities, each Charter Entity must annually submit Form 481, along with broadband
20 deployment reports, to the Universal Service Administrative Company ("USAC"). The
21 Commission is authorized to access the Charter Entities' Form 481 filings through USAC,

²⁵ *In Re Application of Horry Telephone Cooperative, Inc. for Designation as an ETC in Certain Census Blocks in Georgetown and Marion Counties for Purposes of Receiving Federal Connect America ("CAF") Phase II Support*, Docket No. 2018-346-C, Order No. 2019-48(A) at ¶3, p. 22 (S.C.P.S.C. Jan. 25, 2019) (hereinafter, "Commission HTC ETC Order").

1 as well as the broadband deployment reporting data that is submitted to USAC's HUBB
2 Portal. Form 481 provides financial and operations information that may be used to
3 validate an ETC's use of high cost support funds. Additionally, the HUBB calculates an
4 ETC's progress towards meeting its broadband build-out obligations, including any interim
5 deployment milestones. Accordingly, the availability of the Charter Entities' data provides
6 the Commission with essentially the same information and/or data required in the two-year
7 plan of its network investments.

8
9 Given these FCC waivers, the sufficiency of the available reporting information, and the
10 Commission's past grant of a similar waiver, each Charter Entity respectfully requests that
11 the Commission waive the requirement to file a two-year service improvement plan.

12
13 **Q24. Please explain the Charter Entities' request for a waiver of the requirement to serve**
14 **as an ETC on a wire center basis.**

15 **A24.** Because the FCC awarded RDOF funding for census blocks (and, in some cases, *portions*
16 of census blocks),²⁶ each Charter Entity requests a waiver of R. 103-690.C.(b) to the extent
17 it would prohibit the designation of the Charter Entities as an ETC in an area smaller than
18 a wire center. In accordance with 47 U.S.C. § 254(e) and 47 C.F.R. § 54.7(a), each Charter
19 Entity may only use the federal universal service support provided under the RDOF
20 Auction for the provision, maintenance, and upgrading of facilities and services for which

²⁶ Charter seeks ETC designation only in those full census blocks or portions of census blocks that are eligible for RDOF support. See *Wireline Competition Bureau and Office of Economics and Analytics Release Updated List and Map of Eligible Areas for the Rural Digital Opportunity Fund Phase I Auction*, Public Notice, DA 20-665 (June 25, 2020), at p. 6 (stating "As the Commission made clear in the *Rural Digital Opportunity Fund Order*, eligible areas would include census blocks served by both price cap carriers and rate-of-return carriers *to the extent that the census block is in the price cap carrier's territory. That is, only the price cap portion of the census block is eligible.*") (emphasis added).

1 the universal service support is intended. Consequently, each Charter Entity may only
 2 utilize its RDOF Auction support to serve the RDOF Census Blocks (or portions of RDOF
 3 Census Blocks) associated with its winning RDOF Auction bids. Denying the Charter
 4 Entities a waiver would likely result in those census blocks (or portions of census blocks)
 5 awarded RDOF Auction support in the state remaining unserved.²⁷

6
 7 The Commission previously granted an ETC application from a CAF Phase II award
 8 recipient requesting a similar waiver of this wire center requirement based on the FCC
 9 awarding CAF Phase II funding on a census block basis,²⁸ and granting the requested
 10 waiver to the Charter Entities is appropriate under these circumstances. Therefore, the
 11 Charter Entities respectfully request that the Commission waive that portion of R. 103-
 12 690.C.(b) that provides that the Commission shall not designate an ETC service area
 13 smaller than an entire wire center.

14
 15 **Q25. Please explain the Charter Entities' request for a waiver of the equal access**
 16 **certification requirement for toll calls under R. 103-690.C.(a)(5).**

17 **A25.** The Commission's ETC regulations generally track the corresponding federal ETC
 18 regulations, and equal access is no longer a requirement under the FCC's universal service
 19 rules, previously existing under 47 C.F.R. § 54.202(a)(5). Additionally, in 2018, the FCC
 20 forbore from requiring competitive local exchange carriers, such as the Charter Entities, to

²⁷ The purpose of RDOF is "[t]o ensure continued and rapid deployment of broadband networks to unserved Americans." *RDOF Order* at ¶ 5. To this end, RDOF targets funding to unserved census blocks. *Id.* at ¶ 9. A census block is considered "unserved" when it lacks access to 25/3 Mbps broadband service. *Id.*

²⁸ See Commission HTC ETC Order at ¶4, p. 22.

1 provide equal access and toll dialing parity.²⁹ Accordingly, there no longer is a federal
2 requirement that would require a competitive carrier to provide equal access
3 presubscription. Therefore, given the FCC's repeal of the equal access requirement in the
4 universal service context and the FCC's grant of forbearance to competitive carriers with
5 respect to their toll dialing arrangements, good cause exists for the Commission to waive
6 the equal access requirement with respect to this Joint Application.

7
8 **Q26. In what other ways do the Charter Entities meet the requirements for ETC**
9 **designation under the Commission's Regulation 103-690.C?**

10
11 **A26.** Upon commencing the provision of service in the RDOF Census Blocks, which will occur
12 after the construction and/or availability of the underlying network facilities, but not later
13 than as required under the FCC's service milestones, each Charter Entity commits to
14 providing service throughout its respective RDOF Census Blocks to all customers making
15 a reasonable request for service, as required by R. 103-690.C.(a)(1)(A).

16
17 Further, each Charter Entity will comply with all applicable state and federal consumer
18 protection and service quality standards with respect to its voice services offered to
19 customers in the RDOF Census Blocks.³⁰

20

²⁹ See *Nationwide Number Portability; Numbering Policies for Modern Communications*, Report and Order, WC Docket Nos. 17-244, 13-97, 33 FCC Rcd 7153 (2018)

³⁰ This testimony relates to the requirement of R. 103-690.C.(a)(3).

1 The Charter Entities will offer a local usage plan comparable to the one offered by the
2 incumbent LEC in the RDOF Census Blocks.³¹

3
4 Each Charter Entity commits to notifying the Commission in the future if any factors
5 change that would affect its eligibility for ETC designation in the RDOF Census Blocks.

6
7 Each Charter Entity will pay all applicable fees and regulatory assessments, including for
8 TRS, universal service, and 911, in connection with its provision of service in the RDOF
9 Census Blocks.

10 Each Charter Entity certifies that it will respond to future information requests from the
11 Commission about its ability to assume responsibility in the RDOF Census Blocks to serve
12 existing customers of an incumbent carrier that is an ETC in the RDOF Census Blocks
13 should the incumbent carrier within the respective RDOF Census Blocks seek to relinquish
14 its ETC designation.

15
16 **Q27. Describe how designating the Charter Entities as ETCs is in the public interest.**

17 **A27.** Granting this Joint Application will serve the public interest through the deployment of
18 broadband Internet and voice services to unserved high-cost areas in South Carolina.³²
19 Charter announced a new-multiyear, multibillion dollar initiative to expand its network to
20 provide high speed broadband availability over the next several years that will include,
21 according to the FCC, an estimated 98,670 currently unserved homes and small businesses

³¹ This testimony related to the requirement of R. 103-690.C.(a)(4).

³² This testimony relates to the requirement of R. 103-690.C.(b) (requiring ETC designation to be in the public interest).

1 in South Carolina. We expect that deployment of these services will spur investment in
 2 facilities and equipment and promote new economic opportunities and job growth in South
 3 Carolina. This is not just my opinion. Governor Henry McMaster recently reinforced the
 4 critical public interest in expanding broadband, stating that “[f]rom virtual school to
 5 telehealth and everything in between, this past year has proven broadband access is a
 6 necessary part of our day-to-day lives.”³³ The Governor is not alone. South Carolina House
 7 Speaker, James H. Lucas, and State Senate Finance Committee Chairman, Hugh
 8 Leatherman, have similarly voiced the “urgent importance” of delivering broadband to
 9 unserved South Carolinians.³⁴ All three elected officials recently touted Charter’s planned
 10 investment in the state to buildout broadband to unserved areas and the positive economic
 11 impacts that will accrue as a result thereof.³⁵ Indeed, Senator Leatherman found that the
 12 “investment from Charter will help our state ... bring high-speed connectivity to thousands
 13 of previously unserved residents – supporting their educational and economic success.”³⁶

14
 15 According to the FCC’s Auction 904 Results Notice, there are more than 108,833 unserved
 16 residential and small business locations in South Carolina.

17
 18 ETC designation from this Commission is a necessary requirement for the Charter Entities
 19 to receive over \$112 million in RDOF Auction funds for 11,936 Census Blocks in South
 20 Carolina,³⁷ which the FCC estimates will result in service to 98,670 unserved locations in

³³ Press Release, *A \$362 Million Initiative to Expand Broadband Availability to Unserved South Carolina Homes and Small Businesses* (Mar. 3, 2021), available at <https://policy.charter.com/RDOF-South-Carolina-Initiative>.

³⁴ *See id.*

³⁵ *Id.*

³⁶ *Id.*

³⁷ *See Rural Digital Opportunity Fund Phase I Auction (Auction 904) Closes*, Public Notice, DA 20-1422 at Attachment A, p. 4 (Dec. 7, 2020)

1 South Carolina,³⁸ directly advancing the goals of the RDOF Auction and universal service
 2 in those RDOF Census Blocks and the strong public interest of the State of South Carolina
 3 in building out broadband to unserved residents and small businesses. Charter's
 4 deployments will bring expanded voice and broadband connectivity to these areas, many
 5 of which are rural and less densely populated, helping to close the digital divide for
 6 residents of South Carolina and expand economic opportunity and job growth in
 7 communities that will benefit from increased connectivity. Because granting this Joint
 8 Application will allow each Charter Entity to use its respective RDOF funds as intended,
 9 i.e. expand voice and broadband Internet access services in its respective RDOF Census
 10 Blocks in South Carolina, designating each Charter Entity as an ETC is in the public
 11 interest.

12
 13 **Q28. Please explain the scale of the impact the Charter Entities' RDOF award will have**
 14 **on building out broadband in South Carolina?**

15 **A28.** As part of its RDOF awards in South Carolina, Charter expects that it will invest more than
 16 \$362 million the state, which includes an expected private investment of at least \$250
 17 million by Charter and more than \$112 million in support won by Charter in the FCC's
 18 RDOF auction.³⁹

19
 20 Through this RDOF-supported project alone, Charter is projected to connect 91% of South
 21 Carolina's RDOF-awarded locations with quality, high-speed broadband. Charter's RDOF

³⁸ See FCC Dashboard: Public Reporting System, Rural Digital Opportunity Fund, https://auctiondata.fcc.gov/public/projects/auction904/reports/winning_bidders.

³⁹ Press Release, *A \$362 Million Initiative to Expand Broadband Availability to Unserved South Carolina Homes and Small Businesses* (Mar. 3, 2021), available at <https://policy.charter.com/RDOF-South-Carolina-Initiative>.

1 award will result in buildouts in 40 of South Carolina's 46 counties, including expansion
2 into nine counties not currently served by Charter, helping to close the gap for many more
3 South Carolinians. Charter's expansion will be a tremendous complement to the state's
4 CARES Act-funded Broadband Infrastructure Program expansion, which extended high-
5 speed broadband access to nearly 20,000 locations.⁴⁰

6
7 The homes and businesses to which Charter has committed to build include some of the
8 most impoverished counties in the state, with 40% of RDOF support won by Charter to be
9 invested in counties designated as some of the most economically challenged by the South
10 Carolina Department of Revenue. Over the next several years, Charter will extend its
11 network to reach an FCC-estimated additional more than 33,000 homes and small
12 businesses across 13 counties that have seen the highest unemployment rates in the state.⁴¹

13
14 The long-term impact of Charter's expansion will be transformational, for example:

15
16 *Allendale:* Today, more than two-thirds (69%) of Allendale County's nearly 9,000
17 residents cannot access high-speed broadband. As a result of Charter's investment
18 in South Carolina, an additional FCC-estimated 2,318 Allendale County homes and
19 small businesses will have access to gigabit connections from Spectrum Internet®.

20
21 *Bamberg:* Today, 60% of Bamberg County's more than 14,000 residents cannot
22 access high-speed broadband. As a result of Charter's investment in South Carolina,

⁴⁰ *Id.*

⁴¹ *Id.*

1 an additional FCC-estimated 2,853 Bamberg County homes and small businesses
2 will have access to gigabit connections from Spectrum Internet®.

3
4 *Barnwell:* About half (47%) of Barnwell County's nearly 21,000 residents cannot
5 access high speed broadband today. As a result of Charter's investment in South
6 Carolina, an additional FCC-estimated 3,592 Barnwell County homes and small
7 businesses will have access to gigabit connections from Spectrum Internet®.

8
9 *Hampton:* Today, about half (8,823) of Hampton County's more than 19,000
10 residents cannot access high-speed broadband. As a result of Charter's investment
11 in South Carolina, an additional FCC-estimated 3,129 Hampton County homes and
12 small businesses will have access to gigabit connections from Spectrum Internet®.⁴²

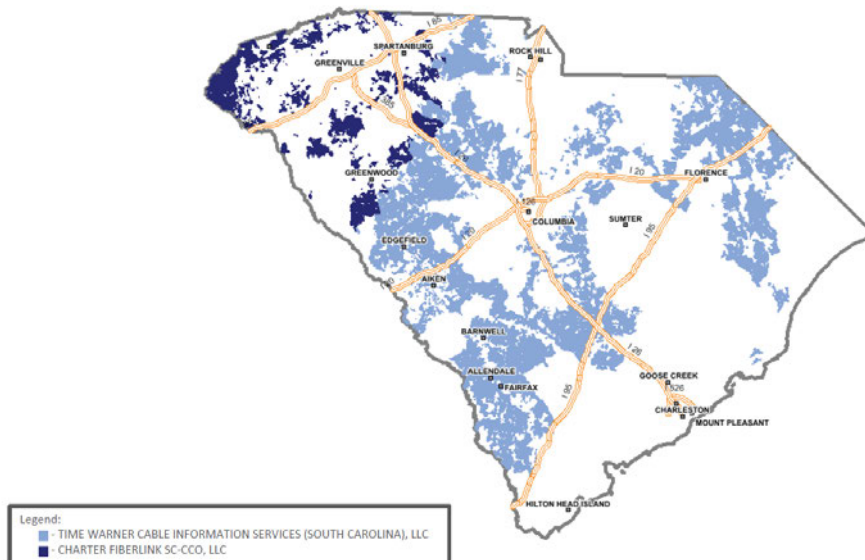
13
14 The network Charter will build in these mostly rural areas will offer 1 Gbps high-speed
15 broadband access to all newly served customer locations, with starting speeds of 200 Mbps,
16 enabling consumers to engage in remote learning, work, telemedicine and other
17 applications that require high-bandwidth, low-latency connectivity. These newly served
18 customer locations also will benefit from Charter's high-value Spectrum pricing and
19 packaging structure, including its Spectrum Mobile™, Spectrum TV® and Voice offerings.
20 Charter will continue to apply its customer-friendly policies in newly served regions,

⁴² *Id.*

1 including no data caps, modem fees or annual contracts, combined with high-quality
2 service provided by U.S.-based, insourced employees.⁴³

3
4 The below map provides a visual depiction of the geographic scale of Charter's
5 commitment, and how the RDOF investment areas are targeted within many of South
6 Carolina's most rural counties.

SOUTH CAROLINA: ASSIGNED RDOF CENSUS BLOCKS



7
8 In addition, Charter currently employs over 3200 people in South Carolina, with employees
9 already earning at least two times the federal minimum wage and a commitment to raising
10 it to \$20 an hour in 2022.⁴⁴ In 2020 alone, Charter extended its network to reach an
11 additional 44,062 homes and small businesses in South Carolina.

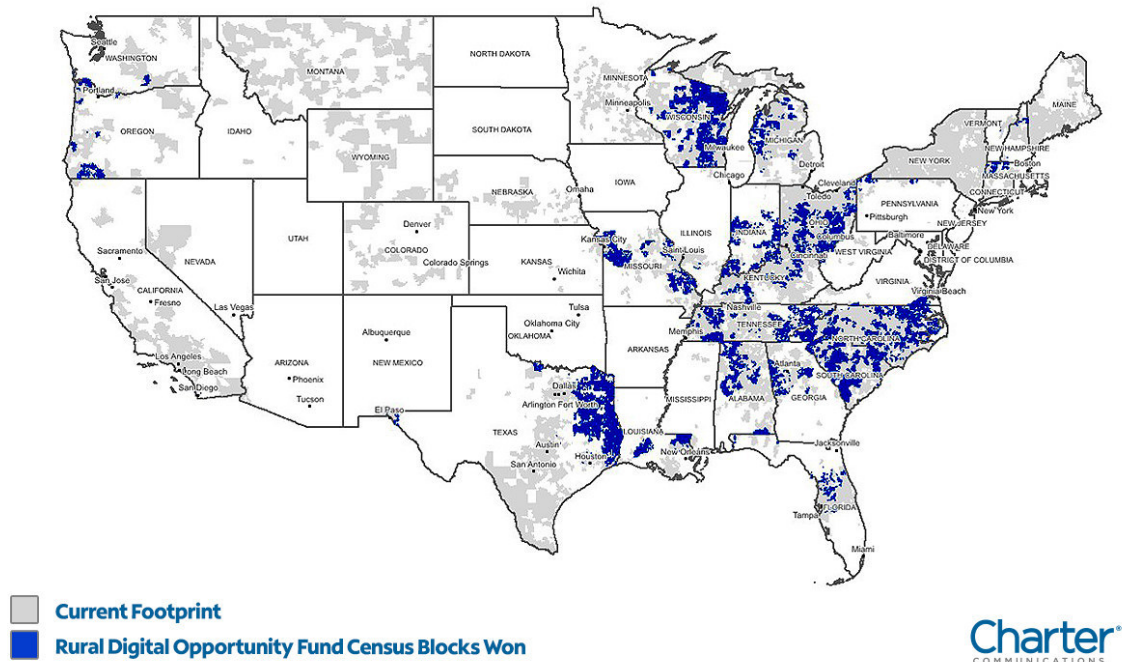
⁴³ *Id.* The rates, terms, and conditions of Charter's voice and broadband service offerings are subject to change in accordance with applicable law.

⁴⁴ Charter Communications, "Investing in Our Greatest Resource—Our Highly-Skilled, Diverse Workforce (Sept. 16, 2020), available at: <https://policy.charter.com/investing-in-our-greatest-resource-our-highly-skilled-diverse-workforce>.

1 **Q29. The Joint Application discusses Charter’s commitment to narrowing the “digital**
2 **divide” across the country. Please explain.**

3 **A29.** Charter participated in the highly competitive FCC Auction 904 and was awarded
4 approximately \$1.2 billion in RDOF support funds to buildout broadband to more than
5 one million unserved locations across 24 states, as estimated by the FCC. These awarded
6 funds will be used to partially off-set a much larger approximately \$5 billion investment
7 by Charter to support its buildout initiative expanding high-speed broadband to lower-
8 density, mostly rural communities across the country that do not have access to service of
9 at least 25/3 Mbps. In other words, Charter is committing billions of dollars of its own
10 private capital to support building out high-speed, low-latency broadband to unserved areas
11 across the country in an effort to narrow the “digital divide.”

12
13 The map below shows the sheer geographic scale of Charter’s commitment to delivering
14 broadband to unserved census blocks, across the continental United States, to narrow the
15 “digital divide”:



1
2 Preparation for the RDOF Phase I broadband buildout has already begun and will include
3 Charter expanding its existing construction organization in order to focus on deployment
4 of this new fiber optic network. Charter expects to hire more than 2,000 employees and
5 contractors to support the RDOF and future rural buildout initiatives. In addition to
6 Charter's ongoing network expansion, the RDOF program alone will drive a 15% increase
7 in the Company's network mileage coverage while expanding service to more than 1
8 million previously unserved homes and businesses across 24 states as estimated by the
9 FCC.⁴⁵

⁴⁵ Press Release, Charter Communications, Inc., *Charter Communications Launches New Multiyear, Multibillion-Dollar Initiative to Expand Broadband Availability To Over 1 Million New Customer Locations* (Feb. 1, 2021), available at <https://corporate.charter.com/newsroom/charter-communications-launches-new-multiyear-multibillion-dollar-initiative-to-expand-broadband-availability-to-over-1-million-new-customer-locations>.

1 **Q30. Please provide the approximate timeline to buildout broadband to RDOF-targeted**
2 **unserved locations in South Carolina.**

3 **A30.** Charter intends to begin construction upon the Charter Entities being granted their ETC
4 designations and receiving approval of their “long form” application by the FCC.⁴⁶
5 Thereafter, the Charter Entities and Charter will offer residential voice and broadband
6 Internet access services, respectively, in the RDOF Census Blocks upon the construction
7 and/or availability of their underlying network facilities, but not later than as required under
8 the FCC’s service milestones, which currently require RDOF support recipients to
9 commercially offer service to 40% of the CAM⁴⁷-calculated number of locations covered
10 by authorized winning bids in a state by the end of the third full calendar year following
11 funding authorization, and to an additional 20% each year thereafter.⁴⁸

12
13 However, the successful and timely execution of Charter’s rural broadband initiative is
14 dependent on a variety of external factors, including the utility pole permitting and “make-
15 ready” processes. With fewer homes and businesses in these areas, broadband providers
16 often need to access multiple poles for every new home served, as opposed to multiple
17 homes per pole in higher-density settings. As a result, pole applications, permitting, pole
18 replacement rules and their affiliated issue resolution processes are all factors that can have
19 a significant impact on the length of time it takes to build into these rural areas.
20

⁴⁶ At this time, however, Charter is uncertain precisely when long-form applications will be approved by the FCC. *See* 47 C.F.R. § 54.804(b)(6)(vi) (providing only that “[a]fter receipt of all necessary information, a public notice will identify each long-form applicant that is authorized to receive [RDOF] support”).

⁴⁷ “CAM” refers to the FCC’s Connect America Cost Model.

⁴⁸ *See also* 47 C.F.R. § 54.802(c)(1) (setting forth FCC required service milestones for RDOF support).

1 **Q31. In the Joint Application, Charter briefly discusses policies it has implemented to**
2 **benefit customers in response to the coronavirus epidemic. Can you explain further?**

3 **A31.** As the COVID-19 pandemic continues to significantly impact the United States, Charter
4 continues to deliver high-quality services uninterrupted by the pandemic. Because Charter
5 invested significantly in its network and through normal course capacity increases, it has
6 successfully managed the significant increase in network activity from the private and
7 public response to COVID-19, while doing its part as a major provider of Internet services
8 in the United States by, among other things, enabling social distancing through
9 telecommuting and e-learning across our footprint of 41 states.

10
11 To help maintain the health and safety of customers and employees, Charter has also
12 invested significantly in self-service infrastructure, such as, among other things, the *My*
13 *Spectrum App* to manage services, troubleshoot equipment, or get support remotely;
14 support videos to help navigate products and features, including self-installation options;
15 and *Ask Spectrum* which provides a virtual agent capable of immediately answering many
16 questions about Spectrum services and products. Customers have accelerated the adoption
17 of Charter's self-installation and digital self-service capabilities thereby reducing in-person
18 interactions with Charter technicians and employees.

19
20 In March 2020, Charter launched its Remote Education Offer ("REO") which provided
21 free Spectrum Internet -- with speeds up to 200 Mbps in most markets -- and WiFi access
22 for 60 days to households with K-12th graders, college students and/or educators, resulting
23 in 448,000 new households added through June 30, 2020 to Charter's high-speed Spectrum

1 Internet for two free months.⁴⁹ In response to the continuing pandemic, Charter relaunched
 2 its REO in September 2020, again offering eligible customers two free months of high-
 3 speed Spectrum Internet and WiFi access.⁵⁰ Charter also participated in the Keep
 4 Americans Connected (“KAC”) Pledge advanced by the Federal Communications
 5 Commission (“FCC”) which waived any late fees, opened WiFi hotspots to any American
 6 who needed them, and paused collection efforts and related disconnects for residential and
 7 small and medium business (“SMB”) customers with COVID-19 related payment
 8 challenges from March 13, 2020 through June 30, 2020.⁵¹

9
 10 Moreover, Charter is making high-speed broadband more accessible through Spectrum
 11 Internet Assist (SIA), its high-speed, low-cost broadband program available to eligible low-
 12 income households and seniors. SIA includes a free internet modem, high-speed data at 30
 13 Mbps, no data caps or contracts, and optional in-home WiFi service for an additional
 14 \$5/mo. SIA is available to households in which one or more members are a recipient of
 15 assistance through the National School Lunch Program (NSLP), the Community Eligibility
 16 Provision (CEP) of the NSLP, or Supplemental Security Income (for applicants age 65+).

⁴⁹ Press Release, Charter Communications, Inc., Charter to Offer Free Access to Spectrum Broadband and Wi-Fi For 60 Days For New K-12 and College Student Households and More (Mar. 13, 2020), available at <https://corporate.charter.com/newsroom/charter-to-offer-free-access-to-spectrum-broadband-and-wifi-for-60-days-for-new-K12-and-college-student-households-and-more>

⁵⁰ Press Release, Charter Communications, Inc., *Charter Relaunches Free 60-Day Spectrum Internet & Wi-Fi Offer to Help Connect New Households With K-12 and College Students or Educators* (Sep. 21, 2020) available at <https://corporate.charter.com/newsroom/charterrelaunches-free-60-day-spectrum-internet-and-wifi-offer-to-help-connect-new-households-with-K-12-and-college-students-or-educators>

⁵¹ See Press Release, Federal Communications Commission, *Companies Have Gone Above and Beyond the Call to Keep Americans Connected During Pandemic*, available at <https://www.fcc.gov/companies-have-gone-above-and-beyond-call-keep-americans-connected-during-pandemic> (listing companies taking the Keep Americans Connected Pledge and going above and beyond).

Charter's products and services have proven critical to the country's continued operation for customers in every region, ensuring they can work and learn remotely, stay informed, maintain their new daily lives and routines and keep connected with family and friends during the coronavirus pandemic. From helping students and teachers to small business owners, Charter is meeting the demand of network traffic increases, expanding its advanced fiber-optic network, hiring for thousands of jobs and telling community news stories via Spectrum Networks. Charter remains committed to being a good corporate partner to communities across its 41-state footprint as the United States continues to grapple with the coronavirus pandemic.

Q32. Does Charter foresee any issues it would like to bring to the Commission's attention?

A32. Yes, Charter expects that the composition of the RDOF Census Blocks may change because certain census blocks may become ineligible for RDOF support.

Q33. What is this conclusion based on?

A33. For RDOF, the FCC determined that support would be available only for specific eligible census blocks that were wholly unserved with broadband at speeds of at least 25/3 Mbps.⁵² The FCC directed its staff to identify these unserved census blocks, compile an initial list, and conduct a challenge process.⁵³ The FCC's staff consulted with the U.S. Department of Agriculture's Rural Utility Service ("RUS") to exclude the portions of any census blocks that substantially overlapped with the RUS' ReConnect Program,⁵⁴ and the staff conducted

⁵² *RDOF Order* at para. 12.

⁵³ *Id.* at paras. 12-14.

⁵⁴ *Id.* at para. 13 and FN 31.

1 a census block challenge process to eliminate from auction eligibility any census blocks
2 that are already served. In October 2020, the FCC's staff issued its final list of eligible
3 census blocks, which was largely based on 2019 data.⁵⁵

4
5 Since the creation of RDOF, however, other potential sources of federal and state funding
6 have become available to expand broadband to rural and unserved areas. An example is
7 the 2020 CARES Act, which disbursed funding during the 2020 calendar year and required
8 buildout of facilities by December 31, 2020. While these CARES Act funds were not
9 distributed directly from the federal government to broadband providers, allocations of
10 CARES Act money to the states was used by some of them to fund broadband deployment,
11 including in South Carolina.⁵⁶

12
13 In addition to federal funding, many states have created their own state-funded broadband
14 programs and have awarded funds to census blocks that were part of the FCC's list of
15 unserved census blocks compiled based on 2019 data. In some cases, these more recent
16 federal and state efforts supporting broadband deployment overlap with RDOF assigned
17 census blocks.

18
19 Since it filed its Joint Application in this proceeding, Charter has become aware that, in
20 some states, including South Carolina, existing service providers are already serving and/or
21 receiving broadband subsidies under federal or state programs to serve Charter's RDOF

⁵⁵ See *Wireline Competition Bureau and Office of Economics and Analytics Announce Release Final List and Map of Eligible Areas for the RDOF Phase I Auction*, 35 FCC Rcd 11283 (Oct. 8, 2020) (*Auction 904 Final List*).

⁵⁶ See "ORS Approves \$26.1M in Broadband Infrastructure Expansion," available at <https://ors.sc.gov/news/2020-08/ors-approves-261m-broadband-infrastructure-expansion> .

1 Census Blocks. (This is an issue facing all RDOF winners, not just Charter.) These areas
2 were ineligible for RDOF support under the FCC's rules, which expressly excluded the
3 following categories of census blocks: (1) census blocks where a CAF Phase II Auction
4 winning bidder must deploy broadband; (2) census blocks where a Rural Broadband
5 Experiment support recipient must deploy broadband; (3) census blocks where a terrestrial
6 provider offers both voice and broadband of 25/3 Mbps according to the most recent
7 publicly available Form 477 data; (4) census blocks awarded funding through the RUS
8 ReConnect Program; and (5) census blocks awarded funding through other similar federal
9 or state broadband subsidy programs to provide at least 25/3 Mbps service.⁵⁷ Accordingly,
10 to the extent the FCC modifies its RDOF-awarded census blocks as a result of the presence
11 of an existing competitor, and/or a census block is ultimately excluded based on the list
12 above, Charter's buildout requirements could change. If those changes occur, Charter
13 would want to make such corresponding changes to its ETC designation, which tracks the
14 census blocks awarded to it by the FCC.

15
16 Given the limitations with the data used, the FCC also expects the location counts within
17 its RDOF-awarded census blocks to change. Specifically, to develop its RDOF location
18 counts, the FCC used the same location counts that it used for its Connect America Cost-
19 Model ("CAM") – which is based on census data collected in 2011.⁵⁸ Awardees must
20 provide updated location counts to the FCC by the sixth year of the RDOF program. FCC
21 staff, no later than the end of year six, must publish revised location counts.⁵⁹ Awardees

⁵⁷ *RDOF Order* at paras. 12-13.

⁵⁸ *RDOF Order* at para. 47.

⁵⁹ *Id.* at para. 45.

1 will be required to offer service to the number of locations identified in this subsequent
2 release,⁶⁰ and RDOF support amounts will be reduced in the case of substantially fewer
3 locations within an RDOF census block.

4
5 Next, the FCC has been clear that its service deployment milestones are “interim.”⁶¹
6 Awardees are required to commercially offer service to 40% of the CAM locations in the
7 state by the end of the third full calendar year after funding authorization, and 20% each
8 year thereafter.⁶² Recognizing that location counts could change significantly, the FCC will
9 allow carriers whose location counts increase by 35% within census blocks to complete
10 100% deployment by year eight (two additional years).⁶³ While Charter intends to initiate
11 service on a rolling basis as it deploys network facilities, it also wishes to inform the
12 Commission that the FCC’s service deployment milestones may be extended where service
13 providers must build to substantially more locations.
14

15 **Q34. Does Charter have a proposed response to these issues it would like the Commission**
16 **to consider?**

17 **A34.** Yes. Through the RDOF program, Charter will construct new high-speed broadband
18 networks in rural areas of South Carolina where there would otherwise be no such
19 networks. South Carolina customers will benefit from Charter’s efforts by being able to
20 receive Charter’s broadband services. Charter’s efforts, however, could get delayed or
21 derailed if, over time, the area of Charter’s ETC designation does not remain consistent

⁶⁰ *Id.*

⁶¹ *Id.*

⁶² *Id.*

⁶³ *Id.* at para. 49.

1 with the census blocks eligible for RDOF support. Maintaining consistency would be
2 administratively efficient for both the Commission and Charter. For example, if the
3 Commission's Order does not account for the FCC's future changes, Charter will have to
4 seek a discontinuance of service and a relinquishment of its ETC status each time the FCC
5 removes a census block from RDOF eligibility. This will impose unnecessary
6 administrative burdens on the Commission and on Charter.

7
8 Incorporating the FCC's changes will result in no potential harm to the Commission or
9 consumers, as the FCC will be the final arbiter of any changes affecting the supported
10 census blocks or locations. Because such an incorporation mechanism will create
11 efficiency, avoid delays and provide business certainty for RDOF participants, the
12 Commission's adoption of such a mechanism would serve the public interest.

13
14 Charter's Joint Application for ETC designation relies on the RDOF Census Blocks and
15 location counts and is contingent upon census blocks remaining eligible for RDOF funding.
16 As discussed above, the FCC may remove a given census block from eligibility for RDOF
17 funding. For this reason, Charter asks that any Order granting ETC designation expressly
18 recognize that its ETC-designated service area is subject to reduction if the FCC removes
19 any census blocks from RDOF eligibility. To that end, Charter asks that the Commission
20 include language substantively similar to the following in Charter's Order granting ETC
21 designation:

1 Charter is designated as an ETC in the eligible portions of the census
2 blocks shown in Appendix [X] where it receives RDOF support. If
3 the FCC removes any such census block from eligibility for RDOF
4 support, that census block will be removed from Charter's ETC-
5 designated service area automatically and without further action by
6 the Commission.
7

8 **Q35. Please summarize Charter's requested relief in this proceeding.**

9 **A35.** The Charter Entities respectfully request that the Commission issue an order waiving an
10 evidentiary hearing in this proceeding and granting expedited review based upon the
11 information contained in the application in this docket and this sworn testimony. After
12 expedited review, Charter also respectfully requests that the Commission issue its order
13 granting the Charter Entities ETC designation in the RDOF Census Blocks set forth in the
14 application and in this testimony, with such designated ETC service areas being subject to
15 automatic change consistent with future FCC determinations on census blocks eligible for
16 RDOF support funds. Through the information provided in the Joint Application and this
17 testimony, each Charter Entity satisfies the requirements for ETC designation in the
18 designated RDOF Census Blocks. Moreover, as the nation's second largest cable company
19 with a market capitalization of approximately \$120 billion as of the date this testimony is
20 filed, Charter possesses the qualifications, resources, and capital needed to deploy high-
21 speed, low-latency broadband to awarded RDOF locations throughout South Carolina.
22 Charter can and will deliver on its RDOF commitments and obligations. Moreover,
23 Charter's planned investment of \$362 million to buildout broadband to unserved locations
24 throughout the state is clearly in the public interest. The governor, prominent state
25 lawmakers, and the recently enacted Broadband Accessibility Act, S.C. Code Ann. § 58-
26 9-3000, *et seq.*, all attest to the strong public support for and interest in broadband

1 expansion for the people of the State of South Carolina. Finally, Charter respectfully
2 requests that, given that the FCC retains the authority to revise census blocks eligible for
3 RDOF support funds, the Commission provide in its order in this case that the designated
4 ETC service areas of each Charter Entity is subject to automatic change consistent with
5 any such FCC revisions to Charter's list of census blocks in South Carolina that are eligible
6 to receive RDOF funding. It is clear that an automatic change provision would promote
7 regulatory efficiency and business certainty. Charter, of course, will provide notice to the
8 Commission of any FCC revisions that affects the census blocks awarded to the Charter
9 Entities.

10 **Q36. Does this conclude your testimony?**

11 **A36.** Yes, and thank you for this opportunity to provide my sworn testimony to you in this most
12 important matter.